W. T. GRANT COMPANY

Annual Report

1948

board of directors

WILLIAM T. GRANT, *Chairman*

JOHN G. BYLER	RALPH W. GALLAGHER
JOSEPH W. CHINN	PERRIN C. GALPIN
HOWLAND S. DAVIS	HERBERT K. GARGES
RAYMOND H. FOGLER	JOHN M. HANCOCK
CLAYTON E. FREEMAN	WARD MELVILLE

ROBERT R. UPDEGRAFF

officers

WILLIAM T. GRANT	*Chairman of the Board*
RAYMOND H. FOGLER	*President and General Manager*
LOUIS C. LUSTENBERGER	*Executive Vice-President*
JOHN B. BOYLE	*Vice-President*
TIMOTHY J. BURNS	*Vice-President*
EDWARD STALEY	*Vice-President*
R. LEE WATERMAN	*Vice-President*
FREDERIC C. WOOD	*Vice-President*
JOHN G. BYLER	*Vice-President and Treasurer*
ROBERT A. SEIDEL	*Vice-President and Comptroller*
GEORGE I. MASON	*Secretary*
M. F. KETZ	*Assistant Comptroller*

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executive office

1441 Broadway, New York 18, N. Y.

transfer agent

Guaranty Trust Company of New York

registrar

Bankers Trust Company New York, N. Y.

the story in brief

	1948	1947
Net Sales	$233,904,425	$228,636,024
Net Earnings After Taxes	9,299,167	6,812,122
Earnings per Common Share . .	3.67	2.63
Dividends Paid per Common Share .	1.00	1.50
Total Dividends Paid	2,941,215	4,130,569
Total Compensation Paid	35,840,000	34,346,029
Total Taxes Paid	9,485,957	7,375,373
Total Capital at Year End	64,547,456	58,189,504
Working Capital	29,268,658	27,292,136
Inventories	19,697,080	26,655,060
Number of Stores in Operation . .	482	483

(Above data on LIFO basis, as explained in report)

W. T. GRANT COMPANY

1441 BROADWAY

NEW YORK

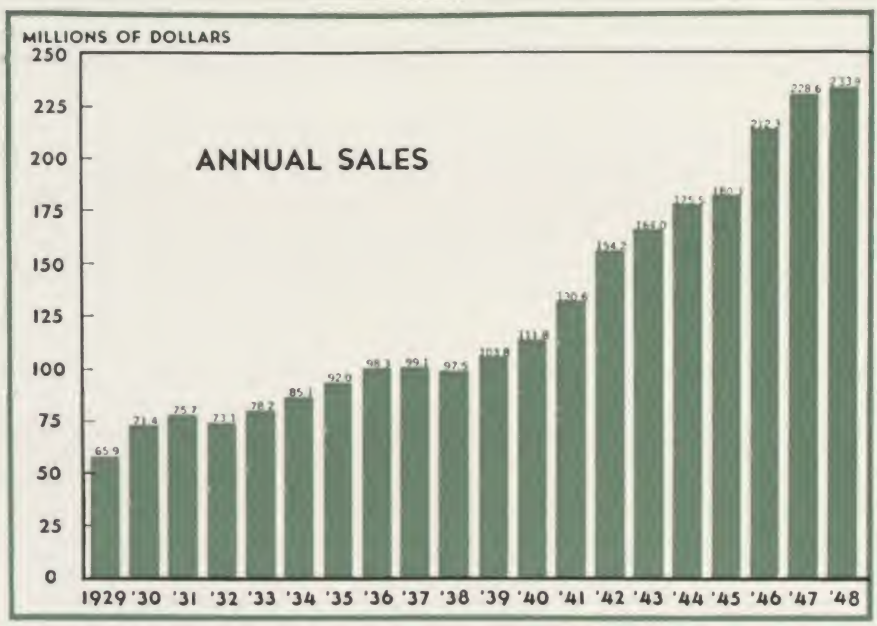
TO THE STOCKHOLDERS:

This Report contains the audited financial statements of W. T. Grant Company for the fiscal year ended January 31, 1949.

The accompanying financial statements are prepared on the last-in, first-out method of valuing inventories, commonly known as the LIFO method, the retroactive change in the Company's accounting policy announced to stockholders in the mid-year report. As stockholders were then advised, a restatement of earnings on the LIFO method, for the 1941 fiscal year and all subsequent years is submitted in this Annual Report.

sales

Sales for the year amounted to $233,904,425, an increase of $5,268,401, or 2.3% over the sales of the preceding year. These sales are the highest in history of the Company.



earnings

Net earnings amounted to $9,299,167, which, after payment of dividends on preferred stock, are equal to $3.67 per share of common stock.

Had inventories been computed by the method used in previous reports earnings for the year would have amounted to $7,951,375. To a considerable extent the increase in earnings for the year is brought about, under the LIFO method, by the substantial liquidation of low cost inventories during the year. As inventories reach what may prove to be a more normal level, such credits are not likely to recur.

In the following tabulation there is given a comparison of earnings for the year with those of all prior years involved, both by the use of the present LIFO inventory method as well as by the previous method.

	EARNINGS BEFORE TAXES		EARNINGS AFTER TAXES			
Fiscal Year	Before Lifo Adjustment	After Lifo Adjustment	Before Lifo Adjustment	Per Common Share*	After Lifo Adjustment	Per Common Share*
1941	$ 9,217,393	$ 7,646,372	$ 4,446,393	$1.72	$4,013,372	$1.54
1942	9,683,723	6,263,775	3,762,223	1.43	3,112,275	1.16
1943	10,406,345	9,146,275	3,810,345	1.46	3,575,275	1.36
1944	14,811,069	12,675,425	4,092,069	1.57	3,782,425	1.44
1945	12,568,092	11,503,905	4,210,092	1.60	4,012,905	1.52
1946	17,557,577	14,859,061	10,877,577	4.33	9,204,061	3.63
1947	13,861,504	10,851,122	8,678,504	3.41	6,812,122	2.63
1948	13,071,375	15,246,167	7,951,375	3.11	9,299,167	3.67

* Based upon 2,378,708 shares outstanding after 2 for 1 stock split in 1945.

lifo

As noted above, earnings are computed by the LIFO method of inventory valuation, which the Company has adopted retroactively to January 31, 1941, notwithstanding the fact that Treasury Department regulations have not as yet been modified to permit the retroactive use of this method.

The Revenue Act of 1939 extended the use of LIFO to all taxpayers. The Company determined to adopt LIFO in 1941, but was prevented from doing so by the Treasury Department's refusal to permit use of this method by the employment of retail price indices or to issue regulations permitting its practical application by retailers such as your Company.

At the Company's annual meeting held on April 21, 1942, stockholders were informed of the Treasury Department's action, and were advised that the matter was being contested and that, in the event of a favorable decision your Company would adopt LIFO retroactively.

The United States Tax Court, in January 1947, in a test case involving another retailer, sustained the status which your Company originally sought. While the Commissioner of Internal Revenue acquiesced in this decision in 1948, its retroactive application has as yet been permitted to only a limited group of companies, not including your Company.

Nevertheless, amended tax returns, and appropriate claims for refund of overpayment of taxes are being processed by your Company.

Without commenting upon the highly technical aspects of LIFO, it may be described as a practical method of minimizing inflationary and deflationary valuations from inventories of unsold goods. Thus, current sales are matched with current costs, and goods remaining on hand, to the extent that they existed at the beginning of the period, are valued at unchanged prices. By removing to a large extent both inflationary and deflationary effects from the valuation of inventories, realized earnings are more accurately reflected each year.

The effect of LIFO on the Company is further indicated in the table below. The most significant facts are that the valuation of the year-end inventory has been reduced by $12,791,505, and for the eight year period, Federal taxes are reduced by $9,795,000 and net earnings by $3,924,505.

Fiscal Year	YEAR END INVENTORY Based on lower of Cost or Market	YEAR END INVENTORY Based on Lifo	Cumulative Reduction of Inventory	Cumulative Amount of Tax Reduction	Cumulative Reduction of Earnings Used in the Business
1941	$25,482,342	$24,126,564	$ 1,355,778	$1,138,000	$ 340,550*
1942	21,675,697	18,319,855	3,355,842	3,908,000	990,498
1943	24,132,446	20,024,419	4,108,027	4,933,000	1,225,568
1944	21,707,697	17,444,151	4,263,546	6,759,000	1,535,212
1945	26,922,287	21,527,645	5,394,642	7,626,000	1,732,399
1946	37,307,098	26,474,804	10,832,294	8,651,000	3,405,915
1947	41,621,357	26,655,060	14,966,297	9,795,000	5,272,297
1948	32,488,585	19,697,080	12,791,505	9,795,000	3,924,505

(* After deducting $92,471 for adjustment in inventory at beginning of LIFO period.)

To conform with Treasury Department requirements, the financial reports of the Company to stockholders are being presented on a LIFO basis. Any adjustment in the Company's claim for tax refunds in final settlement would result in a restatement of financial reports. For the information of shareholders there is also given on subsequent pages in this report, a comparative statement of operations for the past five years together with detailed balance sheets of the company for the same period, all on the LIFO basis.

merchandise inventories

The merchandise inventory was reduced substantially during the year. On January 31, 1949, merchandise on hand and in transit amounted to $19,697,080, compared with $26,655,060 the same date of 1948, a reduction of 26%. Your Company is in excellent position to take full advantage of the opportunity to purchase goods at current lowered prices.

compensation

Total compensation paid employees for the year was $35,840,000, compared with $34,346,029 in the previous year. In addition, the Company contributed $1,537,014 to the Employees Retirement Fund.

dividends

During the year, regular dividends were paid on the preferred stock, and quarterly dividends of 25¢ a share were continued on the common stock. In view of the current program of modernization and enlargement of stores, and the general uncertainty in the legislative proposal to subject retailing to Federal regulation of wages and hours, the directors decided that no special dividend should be paid in February, as was paid in the previous year.

Total dividends paid were $2,941,215, compared with $4,130,569 in 1948.

modernization and expansion

The Company program of improving Grant store facilities continued. During 1948 a total capitalized expenditure of approximately $6,400,000 was made on buildings and fixtures. The 1949 program contemplates expenditures of approximately $7,000,000 which it is anticipated will be financed without additional outside capital.

Eighteen stores were enlarged during the year, the major enlargements being in Far Rockaway, N. Y., Grand Rapids, Mich., Houston, Texas, Lynchburg, Va., Milwaukee, Wisc., Paterson, N. J., and Portland, Me.

The store in Bangor, Maine, was moved to a new location.

A new store was opened in Newburgh, N. Y. Work was started on new stores in Westerly, R. I., which opened March 10, 1949, and in Pasadena, Cal., which will open during April 1949. New buildings to replace existing stores were commenced in Lawrence, Mass., Newport News, Va., Providence, R. I., and Tonawanda, N. Y. In East St. Louis, Ill., Niagara Falls, N. Y., and Somerville, Mass., enlargements were under construction during 1948 and the additional space will be opened during 1949.

Modernization and renovation of existing stores is in progress to overcome the adverse conditions which developed during the war years when construction was impossible.

During 1949, new stores will be under construction in Alhambra, Cal., Culver City, Cal., and Marshalltown, Ia., and new buildings to relocate existing stores will be started in Albany, N. Y., Medford, Mass., Milford, Mass., Leominster, Mass., and Phoenixville, Pa.

Three small stores were closed during 1948. These were in locations where leases expired and where the size of the store and lack of opportunity for development did not warrant a new long lease commitment.

organization

Herbert K. Garges, Vice President in charge of the Atlanta Region, retired during the year after thirty-four years of loyal service. He has contributed much to the growth of the Company. He will continue to serve the Company on the Board of Directors.

outlook

It is difficult to make an estimate of the probable sales for the Spring Period until after Easter, which comes on April 17th, three weeks later than last year. The sales trend up to the time of this report indicates a small gain for the first three months of this period. Due to lower prices for cotton, rayon, and nylon goods, which make up a large part of the Company's dollar volume, this is possible only through the sale of a substantially larger physical volume. The favorable factor in connection with this is that we are able to offer to our customers much greater values.

Chairman of the Board

March 25, 1949.

President

auditors' report

To the Board of Directors,
W. T. Grant Company,
New York, N. Y.

We have examined the statement of financial position of W. T. Grant Company and its subsidiary consolidated as of January 31, 1949, and the statement of operations of the Company and its subsidiary consolidated for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The Company has adopted the last-in, first-out (LIFO) method of inventory valuation retroactively to January 31, 1941, and this change in accounting policy and its effects are described in Note A to the financial statements.

In our opinion, the accompanying financial statements present fairly the position of W. T. Grant Company and its subsidiary consolidated at January 31, 1949, and the results of their operations for the year, in conformity with generally accepted accounting principles, which, except for the change in method of inventory valuation, which we approve, were applied on a basis consistent with that of the preceding year.

Ernst & Ernst

New York, N. Y.
March 22, 1949

W. T. GRANT COMPANY

and subsidiary consolidated

statement of operations

fiscal year ended January 31, 1949

SALES		$233,904,425
COST OF MERCHANDISE SOLD AND OPERATING EXPENSES . .		216,517,112
		$ 17,387,313
OTHER DEDUCTIONS, LESS SUNDRY INCOME OF $8,796 . . .		68,989
		$ 17,318,324
DEDUCT:		
Provision for depreciation and amortization of leasehold improvements	$ 1,959,381	
Interest paid, less interest earned of $65,076	112,776	2,072,157
EARNINGS BEFORE FEDERAL TAXES ON INCOME . .		$ 15,246,167
Provision for Federal income taxes		5,947,000
NET EARNINGS FOR THE YEAR (NOTE A)		$ 9,299,167
DEDUCT:		
Cash dividends paid:		
On 3¾% Cumulative Preferred Stock		
Four quarterly dividends of 93¾¢ each per share .	$ 562,507	
On Common Stock		
Four quarterly dividends of 25¢ each per share . .	2,378,708	
TOTAL DIVIDENDS		2,941,215
EARNINGS FOR YEAR USED IN THE BUSINESS . .		$ 6,357,952
ADD:		
Earnings of prior years used in the business, as shown in previous report	$36,568,261	
Less adjustments applicable to prior years as a result of computing inventories on the last-in, first-out method (Note A)	5,272,297	
Earnings of prior years used in the business—as adjusted		31,295,964
TOTAL EARNINGS AT END OF YEAR USED IN THE BUSINESS		$ 37,653,916

NOTE A—The Company has changed its accounting policy with respect to valuation of inventories by the application, retroactively to January 31, 1941, of the last-in, first-out (LIFO) method, including involuntary liquidation procedures as to certain reductions in inventory quantities, and the accompanying financial statements are prepared on that basis.

Had inventories for the fiscal year ended January 31, 1949 been determined on the basis of the method previously used in the Company's published annual reports, net earnings for that year would have amounted to $7,951,375 instead of $9,299,167, as shown above.

Reference is made to tables appearing in the accompanying letter to stockholders which set forth the effect of the change in inventory valuation on earnings and Federal taxes for each of the eight years from February 1, 1941 to January 31, 1949.

Present Treasury Department regulations permit the application by retail companies of the last-in, first-out method by employing price indices issued by the U. S. Bureau of Labor Statistics. However, these regulations have not yet been modified to permit their use retroactively by the Company. Realization of the claims for refund of Federal taxes shown in the accompanying statement of financial position is subject to final disposition of the matter. Any adjustment in the Company's claims for tax refunds in final settlement would result in a restatement of financial reports.

W. T. GRAN

and subsidiar

statement of fi

January

assets

current assets			
Cash		$19,395,563	
United States Government securities—at redemption value		405,335	
Accounts receivable:			
Customers deferred payment accounts, less allowance	$2,568,281		
Other accounts receivable, claims, etc., less allowance	609,125	3,177,406	
Merchandise inventories (including merchandise in transit)—at cost as determined principally by the last-in, first-out method (Note A)		19,697,080	$42,675,384
claims for tax refunds			
Claims for refund of Federal taxes on income as a result of the use of the last-in, first-out method (Note A)			9,795,000
other assets			
Cash surrender value of life insurance		$ 2,165,228	
Advances to and security deposited with landlords—to be repaid over a term of years		39,032	
Real estate mortgages receivable		75,500	
Sundry accounts and investments		201,758	2,481,518
store properties, fixtures and improvements (at cost)			
Land		$ 7,424,848	
Buildings	$ 4,480,848		
Less allowance for depreciation	1,055,548	3,425,300	
Furniture and fixtures	$12,420,775		
Less allowance for depreciation	4,898,489	7,522,286	
Alterations and improvements to leased properties (this amount is being amortized over a period not in excess of the term of the leases involved)		9,169,051	27,541,485
deferred charges			
Prepaid taxes, rents and insurance, supplies etc.			1,565,901
			$84,059,288

Note A appears on the preceding page.

T COMPANY

/ consolidated

nancial position

31, 1949

liabilities and capital

current liabilities

Accounts payable, including liability for merchandise in transit		$10,608,974	
Real estate mortgages and mortgage bonds payable within one year		400,853	
Accrued accounts		2,396,899	
Federal taxes on income—estimated	$ 6,048,000		
Less United States Savings Notes, at redemption value, purchased for payment of such taxes when due	6,048,000	—	$13,406,726

deferred liabilities

Real estate mortgages and mortgage bonds payable from 1950 to 1964			4,402,731

reserves

For repainting stores		$ 582,932	
For taxes and other contingencies		304,283	
For uninsured risks		815,160	1,702,375

capital

Capital Stock:			
Cumulative Preferred—$100 par value:			
Authorized 250,000 shares			
Issued 150,000 shares of 3¾% series	$15,000,000		
Common—$5 par value:			
Authorized 3,000,000 shares			
Issued 2,381,108 shares (including 2400 shares in treasury)	11,893,540	$26,893,540	
Earnings used in the business (of which $15,295,784 was earned prior to formation of the parent company on November 27, 1937, and $22,358,132 was earned subsequently)		37,653,916	64,547,456

contingent liabilities

The subsidiary, W. T. Grant Realty Corporation, is contingently liable on mortgages, aggregating $144,366 at January 31, 1949, created or assumed by it covering two store properties subsequently sold subject thereto and now under lease to W. T. Grant Company. There are no other contingent liabilities except those incident to the normal course of the companies' business.

$84,059,288

W. T. GRANT COMPANY

and subsidiary consolidated

comparative statement of operations

(computed in accordance with the LIFO inventory method)

fiscal year (Which ends January 31st of subsequent calendar year)	1948	1947	1946	1945	1944
SALES:	$233,904,425	$228,636,024	$212,324,212	$180,306,612	$175,460,824
LESS: Cost of merchandise sold and operating expenses	216,517,112	216,056,951	195,977,946	166,602,610	160,698,179
	17,387,313	12,579,073	16,346,266	13,704,002	14,762,645
OTHER DEDUCTIONS: (net)	68,989	45,170	(12,145)	507,329	313,773
	17,318,324	12,533,903	16,358,411	13,196,673	14,448,872
DEDUCT:					
Interest paid less interest earned	112,776	73,255	12,349	81,185	103,563
Provision for depreciation and amortization	1,959,381	1,609,526	1,487,001	1,611,583	1,669,884
Provision for Federal income taxes	5,947,000	4,039,000	5,655,000	2,544,000	2,197,000
Provision for Federal excess profits taxes	—	—	—	4,947,000	6,696,000
NET EARNINGS	$ 9,299,167	$ 6,812,122	$ 9,204,061	$ 4,012,905	$ 3,782,425

comparative statement of earnings used in the business

fiscal year (Which ends January 31st of subsequent calendar year)	1948	1947	1946	1945	1944
BALANCE—BEGINNING OF YEAR	$ 31,295,964	$ 28,614,411	$ 25,206,013	$ 24,515,163	$ 22,746,664
ADD:					
Net earnings for year as above	9,299,167	6,812,122	9,204,061	4,012,905	3,782,425
	40,595,131	35,426,533	34,410,074	28,528,068	26,529,089
DEDUCT:					
Preferred dividends	562,507	562,507	562,506	388,480	348,830
Common dividends	2,378,708	3,568,062	5,233,157	1,784,032	1,665,096
Premium on redemption of 5% preferred stock, etc.	—	—	—	771,302	—
Expenses in connection with stock issue, etc.	—	—	—	378,241	—
BALANCE—END OF YEAR	$ 37,653,916	$ 31,295,964	$ 28,614,411	$ 25,206,013	$ 24,515,163

comparative statement of financial position

(computed in accordance with the LIFO inventory method)

at end of fiscal year (January 31st of subsequent calendar year)	1948	1947	1946	1945	1944
assets:					
Cash	$19,395,563	$13,781,127	$13,327,573	$13,020,415	$17,028,996
United States Government securities	405,335	1,213,584	2,930,654	10,294,090	297,106
Accounts receivable—deferred payment accounts	2,568,281	1,546,961	157,607	—	—
Accounts receivable—other	609,125	739,867	905,007	731,668	796,430
Merchandise inventories	19,697,080	26,655,060	26,474,804	21,527,645	17,444,151
TOTAL CURRENT ASSETS	42,675,384	43,936,599	43,795,645	45,573,818	35,566,683
Claim for refund of Federal income taxes due to LIFO	9,795,000	9,795,000	7,719,000	4,418,000	3,484,000
Cash surrender value of life insurance	2,165,228	2,074,823	1,982,913	1,891,622	1,783,598
Refundable portion of excess profits tax	—	—	—	—	1,854,000
Miscellaneous investments, employees accounts receivable, advances to landlords, etc.	316,290	429,445	377,294	430,177	375,189
Land and buildings, depreciated	10,850,148	9,955,395	10,204,566	10,246,368	9,574,268
Furniture and fixtures, depreciated	7,522,286	5,755,278	3,471,860	3,194,929	3,788,949
Alterations and improvements (net)	9,169,051	7,417,665	6,252,765	4,833,785	5,327,659
Deferred charges	1,565,901	1,764,691	1,610,150	1,612,834	1,757,381
TOTAL ASSETS	$84,059,288	$81,128,896	$75,414,193	$72,201,533	$63,511,727
liabilities and capital:					
Accounts payable	$10,608,974	$13,046,528	$10,989,424	$11,118,011	$ 9,550,355
Dividend payable	—	1,189,354	—	—	—
Real estate bonds and mortages payable—current	400,853	196,011	222,698	346,914	157,333
Accrued accounts	2,396,899	2,212,570	1,997,930	1,677,687	1,716,123
Federal taxes on income—estimated (after deduction of U. S. tax notes)	—	—	—	6,768	1,148,731
TOTAL CURRENT LIABILITIES	13,406,726	16,644,463	13,210,052	13,149,380	12,572,542
Reserve for replacement of inventories—net	—	—	191,621	654,757	654,666
Real estate bonds and mortgages payable—deferred	4,402,731	4,811,681	5,258,553	5,259,884	6,003,551
Tenants deposits under leases	—	—	—	—	34,199
Reserve for repainting stores	582,932	530,116	433,055	394,583	408,663
Reserve for taxes and other contingencies	304,283	305,910	694,362	529,756	369,903
Reserve for uninsured risks	815,160	647,222	118,599	113,620	82,835
CAPITAL STOCK:					
Preferred 5% cumulative $20 par value	—	—	—	—	6,976,665
Preferred 3¾% cumulative $100 par value	15,000,000	15,000,000	15,000,000	15,000,000	—
Common	11,893,540	11,893,540	11,893,540	11,893,540	11,893,540
Earnings used in the business*	37,653,916	31,295,964	28,614,411	25,206,013	24,515,163
TOTAL LIABILITIES AND CAPITAL	$84,059,288	$81,128,896	$75,414,193	$72,201,533	$63,511,727

*Formerly called "Surplus"

Major Openings

Bangor, Me.—view of street floor and mezzanine.

BANGOR, ME.

On March 4th one of the largest Grant stores was opened in Bangor, Me. Replacing a smaller store that had been in the community for 26 years, the impressive new four floor building occupies two corners. Its smart, cheerful decor and lighting have been "the talk" of Bangor's large trading area. Public buying response to the new unit has exceeded pre-opening plans.

HOUSTON, TEXAS

The greatest dollar sales ever recorded in a Grant store for a single day's business became history when Grants enlarged Houston store was reopened on October 7th. This store now has four entrances on four of Houston's liveliest streets. Addition of the Texas Street entrance and interior alterations resulted in about 25% more selling space.

Houston, Texas — interesting pet shop above. One of four entrances at right.

in 1948 . . . . . .

PORTLAND, ME.

Already one of Grants finest stores, the Portland, Me. unit was remodeled and enlarged to add a third selling floor while additional selling space was gained by expanding selling space on the mezzanine and the downstairs floor. Portland was reopened on September 28th with the first escalator in the state of Maine and gratifying customer enthusiasm for its broader assortments of merchandise.

NEWBURGH, N. Y.

Grants new store in Newburgh, N. Y. opened on November 26th. A corner store with one-half mile of counters, the Newburgh store registered pre-Christmas sales that surpassed all expectations. Attractive, modern, arranged for quick and easy shopping, Newburgh like all Grant stores is also designed to sell the necessities of life with a maximum of economy.

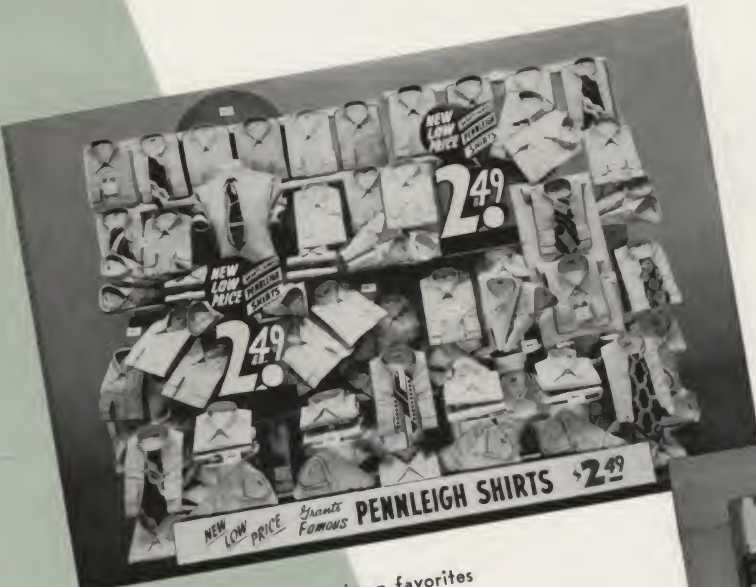
Portland, Me—has a smart new shoe department.

Newburgh, N. Y.—picture of street floor and mezzanine shown above.

Grant-Bilt

THE return of the "Buyers' market" has enabled Grants to resume an aggressive policy of featuring Grant-Bilt merchandise. This program aims to develop items sold exclusively in Grant stores which competitively are "equal to the best and better than most," striving for superiority whenever possible.

Utilizing comparison shopping, testing by recognized independent laboratories and exacting standards, the Grant-Bilt program has



Pennleigh Shirts have long been favorites of Grant customers who appreciate value.

W.T.G. Work Clothes were smartly relabeled in 1948.

Busy Beaver Shoes won the praise of independent laboratory technicians.

GRANT-BILT

Merchandise

already produced some very outstanding merchandise items.

An important part of the project is the development of packaging and labeling that will make Grant articles more attractive while supplying customers important facts about the merchandise.

Once an article is designated as Grant-Bilt, continuous checks are made to insure that its standards and market position are maintained or improved.

Paramount Aluminum features a complete value line that is tops.

Flight Club Socks for boys are fast winning permanent friends.

LABORATORY TESTED OK APPROVED

Flight Club Polo Shirts for boys can be safely washed in hot water.

482 GRANT STORES

ALABAMA (6)
Anniston
Birmingham
Decatur
Gadsden
Huntsville
Mobile

ARKANSAS (1)
Pine Bluff

CALIFORNIA (10)
Berkeley
Fresno
Huntington Park
Los Angeles (2)
Oakland
Sacramento
San Jose
Santa Barbara
Santa Monica

COLORADO (1)
Denver

CONNECTICUT (26)
Bridgeport (2)
Danbury
Danielson
Derby
Greenwich
Hartford
Manchester
Meriden
Middletown
Milford
New Britain
New Haven
New London
New Milford
Putnam
Rockville
Southington
Stamford
Thomaston
Thompsonville
Torrington
Wallingford
Waterbury
Willimantic
Winsted

DELAWARE (3)
Dover
Milford
Wilmington

FLORIDA (6)
Jacksonville
Lakeland
Miami
Orlando
Tampa (2)

GEORGIA (7)
Albany
Atlanta
Augusta
Brunswick
Macon
Savannah
Valdosta

ILLINOIS (16)
Alton
Aurora
Bellville
Chicago (3)
Decatur
East St. Louis
Elgin
Galesburg
Jacksonville
Joliet
Peoria
Quincy
Rockford
Springfield

INDIANA (8)
Evansville
Gary
Hammond
Indianapolis
Michigan City
New Albany
Newcastle
South Bend

IOWA (4)
Clinton
Davenport
Ottumwa
Waterloo

KANSAS (4)
Hutchinson
Pittsburg
Topeka
Wichita

KENTUCKY (2)
Louisville
Paducah

LOUISIANA (5)
Alexandria
Baton Rouge
Monroe
New Orleans
Shreveport

MAINE (11)
Bangor
Bath
Brunswick
Calais
Gardiner
Lewiston
Old Town
Portland
Sanford
Skowhegan
Van Buren

MARYLAND (4)
Baltimore
Cambridge
Crisfield
Hagerstown

MASSACHUSETTS (69)
Adams
Arlington
Athol
Beverly
Boston (11)
Brockton
Cambridge
Chelsea
Chicopee
Clinton
Easthampton
Everett
Fall River
Fitchburg
Framingham
Franklin
Gardner
Gloucester
Great Barrington
Haverhill
Holyoke
Hudson
Hyannis
Lawrence
Leominster
Lynn (2)
Malden
Marlboro
Medford
Melrose
Middleboro
Milford
Natick
Needham
New Bedford (2)
Norfolk Downs
North Adams
North Attleboro
Norwood
Palmer
Peabody
Pittsfield
Plymouth
Reading
Rockland
Salem
Somerville
Stoneham
Taunton
Wakefield
Ware
Watertown
Webster
Westfield
Weymouth
Woburn
Worcester

MICHIGAN (9)
Detroit (2)
Grand Rapids
Hamtramck
Kalamazoo
Lansing
Muskegon
Saginaw
St. Joseph

MINNESOTA (4)
Minneapolis
Rochester
St. Paul
Winona

MISSISSIPPI (1)
Jackson

MISSOURI (4)
Kansas City
St. Joseph
St. Louis
Springfield

NEBRASKA (2)
Lincoln
Omaha

NEW HAMPSHIRE (7)
Berlin
Concord
Dover
Manchester
Nashua
Portsmouth
Rochester

NEW JERSEY (27)
Bayonne
Bloomfield
Bridgeton
Burlington
Camden
Collingswood
Dover
Hackensack
Hoboken
Jersey City (3)
Millville
Mount Holly
Newark (2)
New Brunswick
Passaic
Paterson
Plainfield
Rahway

IN 39 STATES

Riverside
Somerville
Trenton
Union City
Vineland
West New York

NEW YORK (84)

Albany
Amsterdam
Batavia
Bath
Bay Shore, L. I.
Beacon
Binghamton
Buffalo (8)
Canandaigua
Carthage
Corning
Cortland
Dansville
Elmira
Freeport, L. I.
Geneva
Glen Cove, L. I.
Glens Falls
Gouverneur
Great Neck, L. I.
Hempstead, L. I.
Herkimer
Hudson Falls
Huntington, L. I.
Ilion
Jamestown
Johnstown
Kenmore
Kingston
Lackawanna
Lockport
Lynbrook, L. I.
Mechanicville
Medina
Middletown
Newburgh
New York
Bronx (4)
Brooklyn (2)
Manhattan (4)
Queens (3)
New Rochelle
Niagara Falls
Norwich
Olean
Oneida
Oneonta
Patchogue, L. I.
Penn Yan
Port Chester
Port Jervis
Poughkeepsie
Riverhead, L. I.
Rochester
Rockville Centre, L. I.
Rome
Schenectady
Seneca Falls
Syracuse (2)
Tonawanda
Troy
Utica
Watertown
Warsaw
Westfield
Wellsville
White Plains
Yonkers

NORTH CAROLINA (10)

Charlotte
Concord
Elizabeth City
Goldsboro
Greensboro
Greenville
Hickory
Kannapolis
Kinston
Raleigh

NORTH DAKOTA (1)

Fargo

OHIO (25)

Akron
Barberton
Bellaire
Bellevue
Cambridge
Canton
Circleville
Cleveland
Columbus
Conneaut
Dayton
Delphos
Elyria
Kent
Lima
Mansfield
Marion
Middletown
New Philadelphia
Newark
Norwalk
Portsmouth
Steubenville
Toledo
Youngstown

OKLAHOMA (2)

Muskogee
Oklahoma City

PENNSYLVANIA (62)

Altoona
Bangor
Beaver Falls
Berwick
Blairsville
Bloomsburg
Butler
Carlisle
Chambersburg
Columbia
Conshohocken
Danville
Elizabethtown
Ellwood City
Erie
Freeland
Greenville
Hazleton
Homestead
Honesdale
Jeannette
Johnstown
Lancaster
Lock Haven
McKeesport
Mahanoy City
Middletown
Milton
Mount Pleasant
New Kensington
Norristown
Oil City
Palmerton
Philadelphia (4)
Phillipsburg
Phoenixville
Pittston
Pittsburgh (2)
Pottstown
Pottsville
Reading
Sayre
Scranton
Shamokin
Shippensburg
Sunbury
Tarentum
Titusville
Towanda
Uniontown
Upper Darby
Washington
Waynesboro
West Chester
Wilkinsburg
Williamsport
Windber
York

RHODE ISLAND (6)

Newport
Pawtucket
Providence
Westerly
West Warwick
Woonsocket

SOUTH CAROLINA (3)

Charleston
Columbia
Greenville

TENNESSEE (5)

Bristol
Chattanooga
Kingsport
Memphis
Nashville

TEXAS (13)

Abilene
Beaumont
Brownsville
Corpus Christi
Dallas
El Paso
Fort Worth
Galveston
Houston
Port Arthur
San Antonio (2)
Wichita Falls

UTAH (2)

Ogden
Salt Lake City

VERMONT (5)

Bennington
Burlington
Newport
St. Johnsbury
Springfield

VIRGINIA (13)

Charlottesville
Clifton Forge
Danville
Fredericksburg
Harrisonburg
Hopewell
Lynchburg
Newport News
Norfolk
Petersburg
Portsmouth
Richmond
Roanoke

WEST VIRGINIA (6)

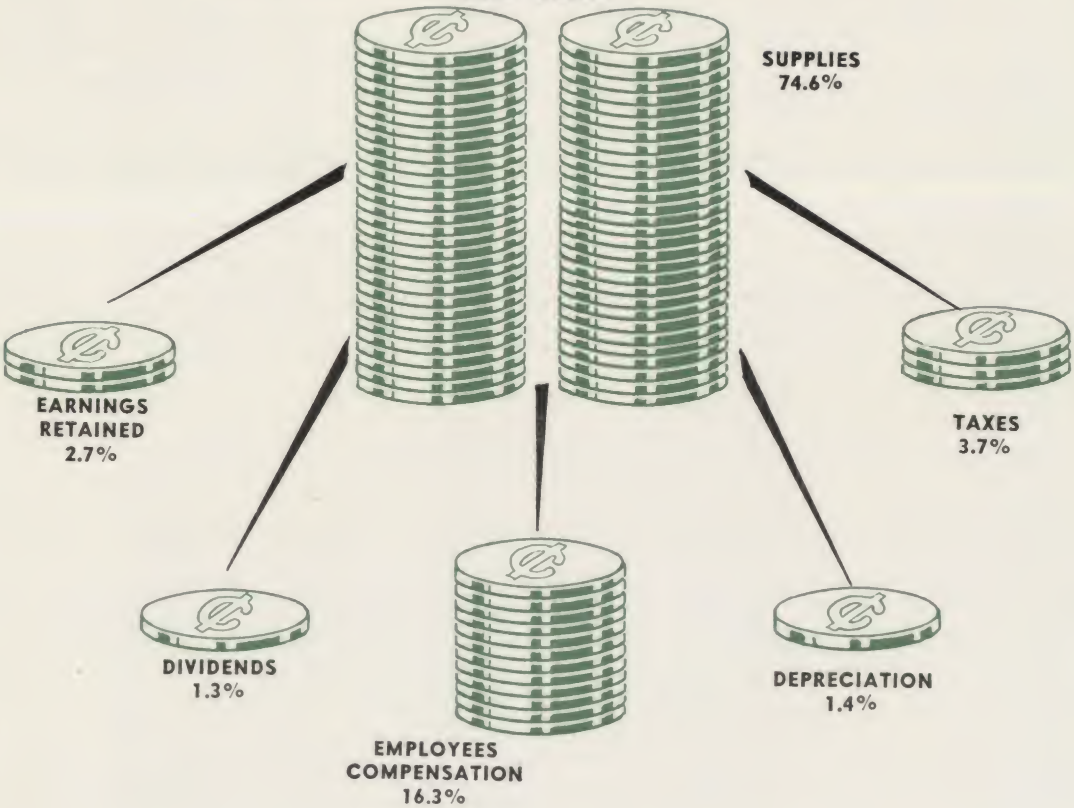
Beckley
Clarksburg
Elkins
Huntington
Parkersburg
Weston

WISCONSIN (8)

Fond du Lac
Green Bay
La Crosse
Madison
Milwaukee (2)
Oshkosh
Sheboygan

distribution of the Grant sales dollar

(lifo basis)



	1948	1947	1942
Total Sales (Millions)	$234	$229	$154
Distribution (Per $1.00 of Sales) .	¢	¢	¢
Suppliers, etc.*	74.6	77.0	77.8
Employees compensation . . .	16.3	15.9	15.1
Depreciation, maintenance and repairs	1.4	1.2	1.7
Federal, state and local taxes .	3.7	2.9	3.4
Dividends to stockholders . .	1.3	1.8	1.3
Earnings used in the business	2.7	1.2	.7
	$1.00	$1.00	$1.00

*"Suppliers, etc.," includes merchandise costs, supplies, rents, and outside services purchased.

Grants

KNOWN for VALUES